



## MILPITAS PLANNING COMMISSION STAFF REPORT

May 25, 2016

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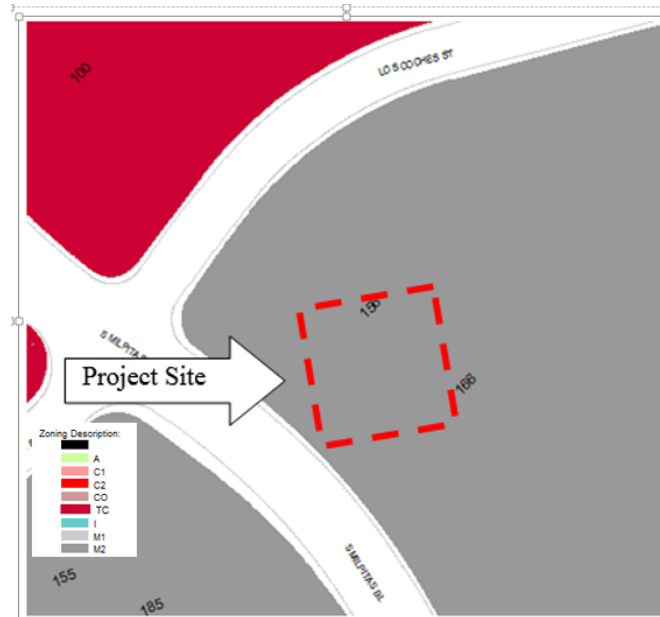
<b>APPLICATION:</b>	<b>Enterprise Rent-a-Car – 156-166 South Milpitas Boulevard – P-UP16-0005</b> – A request for a Conditional Use Permit to allow Enterprise Rent-a-Car service to occupy 6,263 sq. ft. of tenant space in an industrial building zoned Heavy Industrial (M2). This project is categorically exempt from further CEQA review pursuant to both Section 15301 (Existing Facilities) and Section 15303 (New Construction or Conversion of Small Structures) of the CEQA Guidelines.
<b>RECOMMENDATION:</b>	<b>Staff recommends the Planning Commission adopt Resolution No. 16-020 approving Conditional Use Permit No. P-UP16-0005 to allow Enterprise Rent-a-Car service to occupy 6,263 sq. ft. of tenant space in an industrial building zoned Heavy Industrial (M2), subject to the conditions of approval.</b>
<b>LOCATION:</b>	
Address/APN:	156-166 South Milpitas Boulevard (APN 086-28-030)
Area of City:	Milpitas Industrial District, just south of City Hall
<b>PEOPLE:</b>	
Project Applicant:	Jim Ewertsen
Property/Business Owner:	Milpitas Boulevard, LLC
Project Planner:	Michael Fossati, Senior Planner
<b>LAND USE:</b>	
General Plan Designation:	Heavy Industrial (M2)
Zoning District:	Heavy Industrial (M2)
Overlay District:	None
<b>ENVIRONMENTAL:</b>	Categorically Exempt from further environmental review pursuant to both Section 15301 (Existing Facilities) and Section 15303 (New Construction or Conversion of Small Structures) of the California Environmental Quality Act (CEQA).

### EXECUTIVE SUMMARY

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The applicant is requesting a Conditional Use Permit to allow Enterprise Rent-a-Car to occupy a tenant space in an existing industrial building. A Conditional Use Permit is required by Milpitas Municipal Code Section XI-10-57.04(A) in order to ensure conformance with the Milpitas Zoning Code and to minimize impacts to adjacent uses, including traffic flow, circulation, and safety for vehicular and pedestrian traffic.

Map 1  
**Project Location**



**Aerial Photo**



**Photo 1**  
**Building Location**

## **BACKGROUND**

The project site is bounded by Los Coches Avenue to the north and South Milpitas Boulevard to the south and west, and a Public Utility Easement (PUE) located east. The 3.4 acre site is occupied by an approximately 57,000 sq. ft. industrial building, owned by Service King. The building is demised into two suites. The majority of the building will be occupied by Service King, with 11% of the building being occupied by Enterprise Rent-A-Car. The zoning map and location map of the location of the subject site are included on the previous page.

### ***The Application***

On December 17, 2015, Service King received Minor Site Development approval to construct and operate auto repair services within an industrial building, located at 156 South Milpitas Boulevard.

On March 11, 2016, the applicant submitted an application for Enterprise Rent-a-Car to occupy 6,236 sq. ft. tenant space within that building. Enterprise Rent-a-Car would be an ancillary use to Service King, primarily to provide transportation options for customers of Service King, while their vehicles are out of commission and undergoing repair. No additional floor area would need to be added to the building. Partition walls and tenant improvements would be required for Enterprise Rent-A-Car to occupy the space. Applicant thus only requires:

- *Conditional Use Permit:* Required for operation of a vehicle rental office in the M2 zone.

**Table 1: Property Summary**

General Plan Designation	M2 – Heavy Industrial
Zoning District	M2 – Heavy Industrial
Site Size	3.4 acres
Present Use	Future Auto Body Shop – Service King
Surrounding Zoning and Uses	<div> North: Town Center (TC); Office Buildings  South: Heavy Industrial (M2); Industrial Building  East: Heavy Industrial (M2); Public Utility Easement  West: Heavy Industrial (M2); S. Milpitas Blvd. and Industrial Building </div>
Access	Site access is from S. Milpitas Blvd.

## **PROJECT DESCRIPTION**

### ***Overview***

If approved, Enterprise would provide car rental and delivery services to Milpitas and the surrounding area. Enterprise also serves local corporate businesses, as well as leisure and business travel needs. Rental transactions would occur within the building and customers would have an option to rent from a fleet of no more than 10 vehicles at any one time. No automobile sales or vehicle maintenance will occur at this location.

The proposed business hours are as follows:

- Monday through Friday: 7:30am – 6:00pm
- Saturday: 9am – 12:00pm
- Sunday: Closed

There will be three to five employees at the location at any one time. Access to the Enterprise Rent-a-Car would be via a private drive located off of South Milpitas Boulevard, just south of Los Coches. All project parking would be provided on-site.

## **PROJECT ANALYSIS**

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### ***General Plan and Zoning Conformance***

#### General Plan

The project is consistent with the following guiding policies and implementing principles of the General Plan:

- *2. a.I-11 Supportive and compatible commercial and office uses in industrial areas designated for those uses. In areas reserved for industrial uses, only limited ancillary and incidental commercial uses, such as small eating establishments, may be permitted when such are of a scale and design providing support only to the needs of businesses and their employees in the immediate industrial area.* The project offers a supportive and compatible commercial use, which is anticipated to primarily support the needs of Service King customers.
- *2. a.I-7 Provide opportunities to expand employment, participate in partnerships with local business to facilitate communication, and promote business retention.* The project would allow the opportunity for a local business to fulfill a need for the Milpitas community, while expanding employment opportunities.

The applicant is proposing to provide a service-oriented business that will complement the auto body operation with which it will share the site. It will fill an existing vacant office space, will not negatively impact the quality of life of residential communities, while create employment opportunities, unique services and quality partnerships with local businesses.

#### Zoning Ordinance

The project is consistent with the development standards set forth in the Zoning Ordinance. The project does not propose any addition of square footage to the building. Rather, the project will occupy a vacant tenant space within the building. The setback requirements, floor area ratio (FAR), and landscaping requirements remain the same. The nature of the project would necessitate no more than 26 parking spaces, which is less than the 35 spaces available.

#### ***Access***

Enterprise would be accessed via a private driveway perpendicular to South Milpitas Boulevard. Vehicles would be rented from this site or delivered to the customer's address.

#### ***Parking***

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Table 2 demonstrates the project's compliance with the Zoning Code parking standard per Section XI-10-53 Off-Street Parking. This analysis includes the shared building (Service King) and the shared use. Please see below for details regarding parking requirements.

**Table 2: Parking Summary**

<b>Tenant</b>	<b>Uses</b>	<b>Parking ratio</b>	<b>Square footage</b>	<b>Required parking</b>
Service King	Auto Body Office	1/200	8,081 sq. ft.	4
Service King	Auto Body Warehousing	1/1,500	5,000 sq. ft.	3
Service King	Auto Body Service Bays	3 Spaces per 1 Bay	21 Bays	63
Enterprise Rent-A-Car	Vehicle Rental Office	1/400 + 1 per rental vehicle	6,263 sq. ft. + 10 Rental cars	26
<b>Total Number of Parking Spaces Required</b>				<b>96</b>
<b>Total Number of Parking Spaces Available (Interior/Exterior)</b>				<b>122</b>

Per the analysis using the table above, the applicant is compliant with the number of parking spaces required.

### **FINDINGS FOR APPROVAL**

A finding is a statement of fact relating to the information that the Planning Commission has considered in making a decision. Findings shall identify the rationale behind the decision to take a certain action.

#### ***Conditional Use Permit (Section XI-10-57.04(F))***

To approve the Conditional Use Permit, the following findings must be made pursuant to Milpitas Municipal Code Section XI-57-10.04(F):

1. *The proposed use, at the proposed location will not be detrimental or injurious to property or improvements in the vicinity nor to the public health, safety, and general welfare.*

The proposed vehicle rental service will not be detrimental or injurious to properties or improvements in the vicinity because the use is fully contained in an industrial building and associated parking lot with adequate space for customers, employees and rental vehicles. All office work is conducted within the existing industrial building, and will not negatively impact the public health, safety, and general welfare of neighboring properties or improvements in the vicinity. The car rental service will operate small fleet of no more than 10 vehicles so incoming and exiting traffic will be minimal along the lot entrance off of South Milpitas Boulevard.

2. *The proposed use must be consistent with the Milpitas General Plan*

The table below outlines the project's consistency with applicable General Plan Guiding Principles and Implementing Policies:

**Table 3: General Plan Consistency**

<b>Policy</b>	<b>Consistency Finding</b>
<i>2.a.I-6 – Encourage supportive and compatible commercial and office uses in industrial areas designated for those uses. In areas reserved for industrial uses, only limited ancillary and incidental commercial uses, such as small eating establishments, may be permitted when such are of a scale and design providing support only to the needs of businesses and their employees in the immediate industrial area.</i>	<b>Consistent.</b> The project offers a supportive and compatible commercial use, which is anticipated to primarily support the needs of Service King customers.
<i>2.a.I-7 – Provide opportunities to expand employment, participate in partnerships with local business to facilitate communication, and promote business retention.</i>	<b>Consistent.</b> The project would allow the opportunity for a local business to fulfill a need for the Milpitas community, while expanding employment opportunities.

3. *The proposed use must be consistent with the Milpitas Zoning Ordinance.*

The proposed use meets this finding because vehicle rental use is allowed through the conditional use permit process. Staff has analyzed the project site and proposed use and determined the use would not be detrimental to the neighboring industrial properties and uses in the direct vicinity.

**ENVIRONMENTAL REVIEW**

Categorically Exempt from further environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) as the project consists of the minor alteration of existing private structures and features and involves negligible expansion of use and Section 15303 (New Construction or Conversion of Small Structures) as the project consists of the conversion of vacant industrial floor space into office space and associated interior parking for the allowance of a vehicle rental office.

**PUBLIC COMMENT/OUTREACH**

Staff provided public notice the application in accordance with City and State public noticing requirements. At the time of writing this report, there has been no inquiries from the public.

A public notice was also provided on the project site, on the City's Website, [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov), and posted at City Hall on May 13, 2016.

**CONCLUSION**

In conclusion, the proposed project is consistent with the policies and guiding principles identified in the General Plan and satisfies the requirements specified in the Milpitas Municipal Code. The proposed use will contribute towards City's economic development goals and provide necessary services to the community.

## **RECOMMENDATION**

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STAFF RECOMMENDS THAT the Planning Commission:

1. Open and Close Public Hearing
2. Adopt Resolution No. 16-020 approving Conditional Use Permit No. UP16-0005 to allow Enterprise Rent-a-Car to move into existing tenant space at 156-166 S. Milpitas Boulevard, subject to the findings and Conditions of Approval.

## **ATTACHMENTS**

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A: Resolution 16-020

B: Project Plans